Steven F. Alder (0033)
Kassidy J. Wallin (14360)
Assistant Attorneys General
SEAN D. REYES (7969)
UTAH ATTORNEY GENERAL
1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227

MAY 2 7 2014
SECRETARY BOARD OF

SECRETARY, BOARD OF OIL, GAS & MINING

BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order:

Attorneys for the Division of Oil, Gas, and Mining

- (1) Forfeiting to the Division Homeland's bond associated with the Brown 3-2 well;
- (2) Authorizing the Division to complete plugging and reclamation of the Brown 3-2 well and the lands affected by the well;
- (3) Authorizing the Division to take other action necessary to recover from Homeland any and all costs associated with the plugging and reclamation of the Brown 3-2 well; and
- (4) Ordering Homeland to establish new bond coverage for its remaining wells in the State of Utah.

MOTION TO WITHDRAW NOTICE OF AGENCY ACTION

Docket No.: 2013-026 Cause No.: 131-134

The Utah Division of Oil, Gas and Mining (the "Division"), by and through its undersigned counsel, hereby respectfully moves the Utah Board of Oil, Gas and Mining (the "Board") to withdraw the Notice of Agency Action filed on August 12, 2013. This Motion is filed based upon an understanding between Homeland and the Division that Homeland will complete the necessary well site restoration and surface reclamation within 30 days.

In support of its Motion, the Division represents that the Brown 3-2 Well (the "Well") has been plugged according to the Division's satisfaction and in the manner outlined in the Sundry Notice approved by the Division April 7, 2014. Homeland understands that well site restoration and surface reclamation still needs to be completed. See Utah Admin. Code R649-3-34. As part of completing the well site restoration and surface reclamation, Homeland may need to enter into an agreement with the surface owner to determine what surface work still needs to be done, including whether the existing cement pad will be removed. *Id.* Homeland has agreed, in conversations between Dustin Doucet of the Division and Craig S. Phillips of Homeland, to complete all the necessary steps for well site restoration and surface reclamation within the next 30 days.

Based on this understanding, the Division now respectfully requests that the Board order this matter be withdrawn.

Respectfully submitted this 27th day of May 2014.

UTAH ATTORNEY GENERAL'S OFFICE

Digitally signed by Kassidy J. Wallin DN: cn=Kassidy J. Wallin, o=Utah Attorney General's Office, ou=Natural Resources Division,

email=kassidywallin@utah.gov, c=US Date: 2014.05.27 13:43:44 -06'00'

Steven F. Alder (0033)

Kassidy J. Wallin (14360) Assistant Attorneys General

1594 West North Temple, Suite 300

Salt Lake City, Utah 84116

Telephone: (801) 538-7227

Attorneys for the Division of Oil, Gas, and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the forgoing MOTION TO WITHDRAW NOTICE OF AGENCY ACTION to be personally served or mailed first class mail, postage prepaid, the 27th day of May 2014, to:

HOMELAND GAS AND OIL, INC.

C/O CRAIG PHILLIPS P.O. BOX 1776 ROOSEVELT, UTAH 84066

ACSTAR INSURANCE COMPANY

P.O. BOX 2350 233 MAIN STREET NEW BRITAIN, CONNECTICUT 06050

MIKE JOHNSON

ASSISTANT ATTORNEY GENERAL DEPARTMENT OF NATURAL RESOURCES BOARD OF OIL, GAS & MINING 1594 WEST NORTH TEMPLE, SUITE #300 SALT LAKE CITY, UTAH 84114

Julie Am Can Ter

BEFORE THE BOARD OF OIL, GAS & MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order:

- (1) Forfeiting to the Division Homeland's bond associated with the Brown 3-2 well;
- (2) Authorizing the Division to complete plugging and reclamation of the Brown 3-2 well and the lands affected by the well;
- (3) Authorizing the Division to take other action necessary to recover from Homeland any and all costs associated with the plugging and reclamation of the Brown 3-2 well; and
- (4) Ordering Homeland to establish new bond coverage for its remaining wells in the State of Utah.

ORDER GRANTING MOTION TO WITHDRAW NOTICE OF AGENCY ACTION

Docket No.: 2013-026 Cause No.: 131-134

Having reviewed the Motion to Withdraw Notice of Agency Action in the abovecaptioned Matter, and for good cause appearing therefore, the Utah Board of Oil, Gas, and Mining, hereby orders that this matter be withdrawn.

DATED this _____ day of May 2014.

Ruland J. Gill, Jr. Chairman Utah Board of Oil, Gas and Mining